

KENTUCKY REAL ESTATE APPRAISERS BOARD

TYPE OF MEETING

Regular Meeting

DATE AND LOCATION

August 22, 2008 – Board Office

PRESIDING OFFICER

Loren Huff, Acting Chair

ROLL CALL

Present:

Loren C. Huff, Vice Chair
Dorsey Hall, Board Member
Paul Moore, Board Member

Present Also:

Larry Disney, Executive Director
Angie Thomas, Staff Assistant
James Grawe, Board Counsel
Dennis Badger, Investigator

Absent:

J.W. Grabeel, Chair
Theresa Marshall, Board Member

Acting Chair, Loren Huff opened the meeting by welcoming the guest. Guests in attendance were Tom Veit and Andy Peak.

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously approved the July 25, 2008 minutes. Motion by Paul Moore, second by Dorsey Hall and the Board unanimously approved the July 31, 2008 Special Called Meeting minutes.

EDUCATION

Motion by Paul Moore, second by Dorsey Hall and the Board unanimously agreed to approve the following education courses for fiscal year 2008-09:

- (1) Appraisal Institute – One classroom continuing education course:
 - (a) Commercial Appraiser Engagement & Review Seminar for Bankers & Appraisers – 7 hours CE

- (2) Appraisal Mastery Center – Two continuing education courses:
 - (a) 422 – Perfecting the URAR (FNMA Form 1004) – 8 hours CE
 - (b) 421 – Residential Appraisal Mastery – 16 hours CE

EXPERIENCE

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously agreed to accept the following:

- (1) Patrick C. Allen – Approve for Certified General
- (2) Scott Branscome – Approve for Certified Residential
- (3) Jennifer K. Cundiff – Approve for Certified General
- (4) Bryan Reynolds – Approve for Certified General

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously agreed to reject the following:

- (1) Ken Carroll – Reject experience for Certified Residential. Must submit two additional residential appraisals for review.
- (2) Eric Pegan – Reject experience for Certified General. Must submit two additional non-residential appraisals for review.

CERTIFICATION/LICENSURE

Motion by Dorsey Hall, second by Paul Moore and the Board voted to approve a total of nine (9) individuals for certification/licensure.

- (1) Patrick C. Allen – Certified General
- (2) Daniel B. Boring – Certified General – Reciprocal with Georgia
- (3) Scott Branscome – Certified Residential
- (4) Jennifer K. Cundiff – Certified General
- (5) Willie A. Foster – Certified Residential – Reciprocal with Ohio
- (6) Jesse K. Miller – Certified General – Reciprocal with Tennessee
- (7) Francis B. Peacock – Certified General – Reciprocal with Tennessee
- (8) David Raflo – Certified General – Reciprocal with Maine
- (9) Bryan Reynolds – Certified General

COMPLAINT

- A. Dennis Badger – Report on the contractor activities
- B. The Board was advised there have been a total of 70 cases filed for 2008.

C. Agreed Orders:

(1) Case No. 07-49 – Grievant: KREAB

Respondent: Robert M. Weber

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously accepted the agreed order, whereby:

- (a) Weber shall not obtain any additional associate for a period of three years from the date of the agreed order.
- (b) Weber agrees that the Board shall have the right to review his files for a period of two years from the date of the agreed order.
- (c) Weber agrees a Letter of Admonishment will be placed in the file.

(2) Case No. 07-56 – Grievant: KREAB

Respondent: Rene G. Gregoire

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously accepted the agreed order, whereby:

(a) Gregoire certification shall be suspended for six months, effective upon the entry of this Order by the Board from practicing any real property appraiser service in Kentucky. Said suspension is probated with successful completion of the terms of the agreed order.

- (1) Gregoire shall complete a 30 hour Residential Sales Comparison & Income Approach course with successful completion of the examination. Said 30 hours of education shall be in addition to the regular continuing education requirement of 201 KAR 30:060 Section 7. The course work required here in shall be completed by December 31, 2008.
- (2) Gregoire shall have no more than one Associate appraisers for a period of three (3) years from the date of the agreed order.
- (3) Gregoire agrees that the Board shall have the right to review files for a period of two years from the date of the agreed order.

(3) Case No. 07-17 – Grievant: KREAB

Grievant: KREAB

Respondent: David Manco, Jr.

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously accepted the agreed order, whereby:

- (1) Manco agrees that the Board shall have the right to review his files for a period of two years from the date of the agreed order.
- (2) Manco agrees to submit to the Board two reports that will be selected from a log of assignments.
- (3) Manco agrees a Letter of Admonishment will be placed in the file.

(4) Case No. 07-60 – Grievant: KREAB

Respondent: C. Shane Kelly

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously accepted the agreed order, whereby:

- (1) Kelly agrees that the Board shall have the right to review his files for a period of two years from the date of the agreed order.
- (2) Kelly agrees a Letter of Admonishment will be placed in the file.

(5) Case No. 07-28 – Grievant: KREAB

Respondent: Carolyn Alexander

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously accepted the agreed order, whereby:

- (1) Alexander shall complete an Appraisal Institute Online Professionals Guide to the URAR 7 hour course or a McKissock Virtual Classroom Residential Report Writing 7 hour course. Said 7 hours of education shall be in addition to the regular continuing education requirement of 201 KAR 30:050 Section 7. The course work required herein shall be completed by the December 31, 2008.
- (2) Alexander shall not obtain any additional associates for a period of two years from the date of the agreed order.
- (3) Alexander agrees the Board shall have the right to review her files for a period of two years from the date of the agreed order.

(6) Case No. 07-37 – Grievant: KREAB

Respondent: Chuck Toler

Motion by Dorsey Hall, second by Paul Moore and the Board unanimously accepted the agreed order, whereby:

- (1) Toler shall complete a 7 hour Kentucky Real Estate Appraisers Board Supervisor/Trainee course. Said 7 hours of education shall be in addition to the regular continuing education requirement of 201 KAR 30:050 Section 7. The course work required herein shall be completed by December 31, 2008.
- (2) Toler agrees the Board shall have the right to review his files 2 years from the date of the agreed order.

A. Final Orders of the Board – No Board action required – Orders were approved at hearings:

(1) Case No. 05-76 (Administrative Action No. 08-KREAB-0148)

Grievant: Stan Chase

1. Stan Chase violated KRS 324A.050(1)(c).
2. Within thirty days of this order, Mr. Chase shall pay a fine of \$500 to the Board.
3. If Mr. Chase fails to pay the fine as ordered herein, his Licensed Real Property Appraiser license is suspended until he has complied with this order.

(2) Case No. 05-37 (Administrative Action No. 08-KREAB-0151)

Grievant: Shelby Dow Kindred

1. Shelby Dow Kindred violated KRS 324A.050(1)(c).
2. Within 30 days of this order, Kindred shall pay a fine of \$1,000 to the Board.
3. On or before September 20, 2008, Mr. Kindred shall successfully complete the 30-hour General Income Appraiser course for which he has signed up. This class shall not count toward the regular CE requirement of 201 KAR 30:050 Section 7.
4. On or before September 18, 2008, Mr. Kindred shall successfully complete the 7-hour Understanding and Interpreting Real Estate Appraisals conducted by the Risk Management Association, or on or before October 23, 2008, he shall successfully complete a qualifying 7-hour class conducted by the Real Estate Lending Agency, Portland, Maine. This class shall count toward the regular CE requirement of 201 KAR 30:050 Section 7.
5. If Mr. Kindred fails to comply with any of the Board's orders herein, his General Real Property Appraiser certificate is suspended until he has complied with those orders.

(3) Case Nos. 06-02 and 06-03 (Administrative Action No. 08-KREAB-0150)

Grievant: Wendy M. Graves

1. Wendy Graves violated KRS 324A.050(1)(c).
2. Within 30 days of this order, Graves shall pay a fine of \$500 to the Board.
3. If Ms. Graves pays the fine in a timely fashion, her certificate shall be placed in inactive status for a period no longer than three years from the date of this order; in which case, she must successfully complete the classes required by the August 28, 2006, AO, neither of which will apply towards the regular continuing education of 201 KAR 30:050 Section 7; and she must petition the Board within the three years to hold a hearing to determine whether to return her certificate to active status, at which hearing she shall show proof that she complied with this final order, and that she complied with all then-current requirements applicable to active Certified General Real Property Appraiser Certificate holders seeking renewal of their certificate. If she does not petition the Board within the three years for a hearing to activate her certificate, her certificate lapses, and she shall then thereafter comply with all requirements applicable to new applicants for a Certified General Real Property Appraiser Certificate.
4. If Ms. Graves fails to pay the fine in a timely fashion, her certificate is suspended; in which case, within six months from the date of this order she must pay the fine and successfully complete the classes required by the August 28, 2006, Agreed Order, neither of which will apply towards the regular continuing education requirement of 201 KAR 30:050 Section 7, or her certificate is revoked.

(4) Case No. 06-83 (Administrative Action No. 08-KREAB-0149)

Grievant: James DeRossett

1. James DeRossett violated KRS 324A.050(1)(c).
2. Within 30 days of this order, DeRossett shall pay a fine of \$350 to the Board.
3. If Mr. DeRossett does not pay his fine in full and in a timely fashion, his certificate is suspended until the fine is paid.

F. James Grawe presented to the Board six cases to be set for a hearing. Motion by Dorsey Hall, second by Paul Moore and the Board accepted the orders and agreed to set a hearing for the following cases:

1. Case No. 06-48 – Herman Natwick
2. Case No. 07-21 – Joe Weddington, Jr.
3. Case No. 07-30 – John W. Tackett
4. Case No. 07-32 – David Harrington & Ramona Harrington
5. Case No. 07-38 – David Harrington
6. Case No. 07-50 – M. Steve Risner

MISCELLANEOUS

The Board reviewed:

- A. Mark T. McDonald – Motion by Dorsey Hall, second by Paul Moore and the Board agreed to file a formal complaint and set for a hearing.

- B. Request from Dana Stewart to waive \$200.00 penalty fine to reinstate associate license – Motion by Dorsey Hall, second by Paul Moore and the Board declined her request and agrees that Ms. Stewart must pay the \$200.00 penalty fine to reinstate her license.
- C. Request from Bryan Reynolds to perform contract investigations for the KREAB – Consideration was made to the request and the Board agreed that Mr. Reynolds must contact the contract investigator. The Board will advise Mr. Reynolds that Investigation Training courses are available. Also, Mr. Reynolds may be asked to participate in a personal service contract for investigations that will be performed in his area, if said contract is deemed necessary to request for bids.
- D. Letter to Jim Reynolds
- E. Letter to Donna Tompuski concerning the Federal Housing Finance Regulatory Reform Act of 2008
- F. Open Records and Open Meetings Update
- G. Pending Cases Update
- H. Mark D. Roth – Temporary Permit Request with prior disciplinary actions from the States Of New Jersey and Pennsylvania – Motion by Dorsey Hall, second by Paul Moore and the Board agreed to deny his request for a temporary permit. Also, Mr. Roth did not demonstrate only evidence of knowledge with the local real estate market.
- I. Request to purchase 4 new computers on state contract for an amount not to exceed \$3,500. – Motion by Paul Moore, second by Dorsey Hall and the Board approved the purchase of four new computers for the office.
- J. Associated Press Release – “Regulations Affecting Appraisers Largely Useless” – Larry advised that they are coming down hard on appraisers and the Board needs to get the cases settled in a timely matter.
- K. The Appraisal Subcommittee will be reviewing the Board in February 2009.
- L. Letter from AI, ASA, ASFMRA, NAIFA to Chuck Hagel, U.S. Senator.
- M. Motion by Dorsey Hall, second by Paul Moore and the Board agreed to begin the process of requesting an appropriation increase to cover the cost of the hearings and legal fees. The Board agreed to send a copy to the Governor and the Attorney General.

The next Board meeting is scheduled for Friday, September 26 at 9:00 a.m. at the Board office.

Motion by Paul Moore second by Dorsey Hall and the Board voted unanimously to adjourn the meeting.


Chair


Staff Assistant

Gross, Janie (Ky Brd of Re Appraisers)

From: Disney, Larry (Ky Brd of Re Appraisers)
Sent: Wednesday, September 03, 2008 7:42 PM
To: Gross, Janie (Ky Brd of Re Appraisers)
Subject: FW: Temporary Practice

Hi Janie,

Enter this with the Temporary Permit application, and tell Angie to please put this with an attachment to the Board meeting minutes from the last meeting.

J.W. informed me the vote from 2 of the 3 members present at the August meeting was to reverse the decision to not grant Mr. Roth the temporary practice permit. Therefore, upon advice by the Chair, the staff will immediately, as of September 3, 2008, grant Mr. Roth the temporary practice permit as requested.

The reasons for denial will be brought up at the September meeting.

Thanks,

Larry Disney

From: Jacob Grabeel [mailto:JWGrabeel@SE-APPRAISAL.COM]
Sent: Wed 9/3/2008 5:24 PM
To: Disney, Larry (Ky Brd of Re Appraisers)
Subject: Temporary Practice

Just a note to confirm that in an informal poll of the members who were present at the August KREAB meeting, the majority of the members have expressed a desire to allow the temporary practice in question and further discuss the overall situation at our next meeting.

We should be able to work this into the schedule on the hearing date, 18 September 2008.
JWG